



THE COMMONWEALTH OF MASSACHUSETTS
EXECUTIVE DEPARTMENT

STATE HOUSE • BOSTON 02133

(617) 725-4000

MITT ROMNEY
GOVERNOR

KERRY HEALEY
LIEUTENANT GOVERNOR



Spring 2004

Dear Friends:

The first year of my administration has been rewarding but challenging, particularly with regard to the state's fiscal crisis. We have tried to solve the budget shortfall with fairness, and public employees, retirees and their families have had to share some of the burden as their health care costs have been brought more in line with the private sector.

The Group Insurance Commission has spent a lot of time and effort considering all the options available to them to continue offering you the broadest possible choice and package of benefits. They have also embarked on some creative new paths, and there is information in this **2004-2005 Benefit Decision Guide** about these new ideas.

I urge you to become an informed consumer to help you make decisions on the most suitable combination of benefits for you and your family. The GIC makes many materials available to you for this purpose. Carefully review this guide, attend a health fair, read the *For Your Benefit* newsletter, and utilize the GIC website. These resources also provide information to help you take charge of your health.

I wish you and your family a safe and healthy year.

Sincerely,

A handwritten signature in blue ink, appearing to read "Mitt Romney".

Mitt Romney

Annual Enrollment

Annual enrollment begins April 12 and ends May 14, 2004. Choosing a health plan is an important decision for you and your family. Annual enrollment gives you an opportunity to review your options and select a new plan.

Many enrollees must select a new health plan during this year's annual enrollment. If you and/or your spouse or covered dependent are in a plan that the GIC no longer offers, you and your spouse/covered dependent, if applicable, must select a new health plan. Failure to select a new health plan will result in the GIC selecting a plan for you.

If you want to keep your current GIC plan, and it is still being offered, you do not have to do anything. Your coverage will continue automatically.

Once you choose a health plan, you cannot change plans again until the next annual enrollment, unless you move out of the plan's service area.

If you are a . . .

- ▶ Retiree
- ▶ Survivor
- ▶ Elderly Governmental Retiree (EGR)
- ▶ Retired Municipal Teacher (RMT)
- ▶ Former employee who has continued to pay for health coverage through the state's 39-week option or the federal COBRA option

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If You Have Medicare. . . You may enroll in one of these health plans:

- ▶ Commonwealth Indemnity Medicare Extension Plan (OME)
- ▶ An HMO Medicare Plan

You may enroll in. . . Retiree Dental Plan

You may apply for*. . . Health Insurance Buy-Out Option

If You Do Not Have Medicare. . . You may enroll in one of these health plans:

- ▶ Commonwealth Indemnity Plan
- ▶ Commonwealth Indemnity Plan PLUS**
- ▶ Commonwealth Indemnity Community Choice Plan**
- ▶ Harvard Pilgrim POS**
- ▶ Navigator by Tufts Health Plan**
- ▶ An HMO

You may enroll in. . . Retiree Dental Plan

You may apply for*. . . Health Insurance Buy-Out Option

**** Elderly Governmental Retirees (EGRs) and Retired Municipal Teachers (RMTs) may not enroll in these plans.**

Enrollment and application forms are available on our website: www.mass.gov/gic, at the GIC health fairs, and by calling or writing to the GIC.

By Submitting by May 14. . .

- ▶ Medicare enrollees write to the GIC requesting the change
- ▶ Send non-Medicare enrollment forms to the Group Insurance Commission
- ▶ Send an HMO or Harvard Pilgrim POS enrollment form to the Plan (if applicable)

*** See page 22 for eligibility.**

Changes become effective. . . July 1, 2004

Why There Are Changes This Year: The GIC's Clinical Performance Improvement (CPI) Initiative

Health care costs continue to escalate at a double-digit annual pace while the state continues to face budget shortfalls. Over the last few years, the GIC has responded to these dual challenges on multiple fronts. Our philosophy has been to continue to provide all enrollees and their family members with comprehensive coverage, implementing difficult but necessary changes across GIC participants in as fair a way as possible, while being part of the solution to the state's fiscal dilemma.

This year we went out to bid for many of our health plans, giving us an opportunity to identify a better way to provide quality health care benefits, while containing costs for the Commonwealth and enrollees alike. Significant savings can be achieved in the health care system itself.

While costs have risen, numerous studies have documented that health care quality varies greatly among providers: according to a June 2003 study published in the *New England Journal of Medicine*, only 54.9% of patients get the highest quality of care. The Institute of Medicine (IOM) defines quality care as timely and effective treatment with patient-centered screening, diagnosis, treatment and follow-up. This quality care gap varies widely, depending on medical condition.

To address this gap, we formulated an initiative we called the Clinical Performance Improvement (CPI) Initiative, and we asked our health plans to take a new look at how they would deliver the kind of care and information that our CPI Initiative is seeking to provide. As you will see, many of our health plans rose to the challenge and are offering you a new way to select your care. While encouraging change, we have tried to be mindful that our enrollees value continuity as well. If you do your homework, you will find a plan that enables you to keep your same providers, while minimizing the impact on your wallet. Some of the plan names are unchanged; others have new names, but familiar plan administrators.

During the first year of our new health plan contracts, our health plans will be gathering quality of care data about area providers. The data will be analyzed by outside experts, who will use it to identify high quality, cost-efficient providers. The health plans, in turn, will provide this information to GIC enrollees to help them decide where to seek care.

So what does this mean to you? In the long term, you will have access to provider quality information, which, particularly for physicians, is not readily available. You will be able to use this information to intelligently choose physicians, hospitals and other health care providers and be rewarded with lower out-of-pocket costs for choosing quality, efficient providers.

You may notice some of these incentives already in place this year. One of our new plans provides members with network hospital information and members will pay lower co-payments for selecting a high quality/high efficiency hospital. Another new plan offers higher benefits for routine procedures at network hospitals and for designated high-risk procedures at additional hospitals most experienced with those procedures.

In order for the CPI Initiative to succeed in improving quality and containing costs, you, our enrollees, must be an active part of the solution. We encourage you to weigh your health plan choices carefully, using this Benefit Decision Guide, our website, newsletter, and annual health fairs to assist with your decision.

Harvard Pilgrim First Seniority and Tufts Secure Horizons Rates Reduced

Rates for Harvard Pilgrim Health Care First Seniority and Tufts Health Plan Secure Horizons will be reduced effective July 1, 2004.

See pages 25-26 and 29 for details.

New *Without Medicare* Plans

The GIC is introducing three new health plan options for non-Medicare enrollees that correspond to our Clinical Performance Improvement (CPI) Initiative. All three plans offer higher benefit levels for in-network care. Members may also choose to go outside of the plan's provider network, subject to higher out-of-pocket costs:

- ▶ **Commonwealth Indemnity Community Choice Plan:** This plan, administered by UNICARE, gives members access to any Massachusetts physician. For routine procedures, care at the 40 network hospitals is provided at the highest benefit level; certain complex and emergency admissions are also covered at additional hospitals at the highest benefit level.
- ▶ **Harvard Pilgrim POS Plan:** This plan, administered by Harvard Pilgrim Health Care (HPHC), is a traditional Point of Service Plan (POS), requiring selection of a Primary Care Physician (PCP) to coordinate care and obtain referrals. This plan's benefit structure is similar to the current Commonwealth PPO, administered by Tufts Health Plan, except prescription drugs and mental health/substance abuse benefits are administered by the Plan itself. For the next fiscal year (FY06), HPHC will establish tiers of providers based on cost and quality. Details will be in next year's *Benefit Decision Guide*.
- ▶ **Navigator by Tufts Health Plan:** This plan, administered by Tufts Health Plan, is a PPO plan which does not require selection or referrals from a PCP. Hospital benefits are determined by the member's hospital choice. Tufts Health Plan will provide members with quality and value information on area hospitals before you are admitted. Members receive higher benefit levels when they select a higher quality and more cost-effective hospital.

Retired Municipal Teachers (RMTs) and Elderly Governmental Retirees (EGRs) are not eligible for these plans.

For additional information on these new GIC health plan options, see pages 16-17.

Current Commonwealth PPO Members – *Must Pick a New Plan*

The GIC will no longer offer the Commonwealth PPO, effective July 1, 2004. Commonwealth PPO members must select a new plan by May 14, 2004.

Current Harvard Pilgrim Health Care and Tufts Health Plan *Without Medicare* HMO Members – *Must Pick a New Plan*

The GIC will no longer offer the following HMOs, effective July 1, 2004. Members of these HMOs must select a new plan by May 14, 2004:

- ▶ Harvard Pilgrim Health Care
- ▶ Tufts Health Plan

Fallon Community Health Plan Benefit Changes

The following co-payments will change for Fallon Community Health Plan's non-Medicare plans, effective July 1, 2004:

Inpatient Hospital Co-Pay

- ▶ Direct Care and Select Care: \$250

Emergency Room Co-Pay

- ▶ Direct Care and Select Care: \$75

Well-Child Under Age 19 Visit

- ▶ Direct Care: \$0
- ▶ Select Care: \$5

Specialist Physician Office Visit Co-Pay

- ▶ Direct Care: \$15
- ▶ Select Care: \$20

Prescription Drugs

- ▶ Retail: Direct Care and Select Care: \$5/\$20/\$60
- ▶ Mail Order: Direct Care and Select Care: \$10/\$40/\$180

Tufts Health Plan Secure Horizons Benefit Changes

Effective July 1, 2004, Tufts Health Plan Secure Horizons will no longer offer preventive dental coverage. The following prescription drug co-payments will change, effective July 1, 2004:

- ▶ Retail: \$15/\$25/\$50
- ▶ Mail Order: \$30/\$50/\$100

If You Fail to Select a New Plan and Your Plan and/or Your Covered Dependent's Plan Has Been Discontinued

If your GIC health plan, or your spouse's/covered dependent's (under age 65) health plan has been discontinued and you do not select a new health plan by May 14, 2004, the GIC will assign you and your spouse/covered dependent (if applicable) to a new plan, effective July 1, 2004.

Insured and Spouse/Covered Dependent Coverage Under and Over Age 65

If you or your spouse/other covered dependent is younger than age 65, special enrollment rules apply. You and/or your spouse/covered dependent (under age 65) will continue to be covered under a non-Medicare plan until you and/or he/she becomes eligible for Medicare. The GIC has added plan options for the enrollee under age 65 to include the new non-Medicare health plans and the Commonwealth Indemnity Plan PLUS. However, if you or your spouse/covered dependent is enrolled in a non-Medicare plan that has been discontinued, you or your spouse/covered dependent (under age 65) MUST select a new health plan. *See page 7 for Under/Over Age 65 health plan combination options.*

RMTs and EGRs with combination Medicare and non-Medicare coverage may only enroll in the Commonwealth Indemnity Medicare Extension (OME) Plan and the Commonwealth Indemnity Plan, Fallon Senior Plan Preferred and Fallon Community Health Plan Direct or Select Care, or Health New England MedRate and Health New England.

GIC Retiree Dental Plan Rates Reduced – Benefits Enhanced

GIC Retiree Dental Plan rates will decrease by over 13%, effective July 1, 2004. Additionally, the calendar year maximum benefit will increase from \$750 to \$850 per member. Reimbursement levels have also been increased, thereby reducing enrollees' potential out-of-pocket costs. *See pages 22 and 27 for details.*

Optional Life Insurance Rates Reduced

Optional life insurance rates will decrease by an average of 25% for most optional life insurance participants, as of July 1, 2004. *See page 27 for details.*

Patient Safety Update

Annual enrollment is a great time to prepare for the year ahead. As you consider your health care choices, please review the Leapfrog patient safety charts on pages 23-24 to learn about an important issue – preventable medical mistakes in hospitals. This information can help you choose the best and safest hospital for high-risk surgical procedures and obstetrical care.

Routine procedures are often safely and effectively performed at your community hospital. Your health plan can provide you with additional information. We encourage all enrollees to become informed health care consumers.

Comprehensive GIC Website

www.mass.gov/gic

See our website for:

- ▶ The latest annual enrollment news
- ▶ Forms to expedite your annual enrollment decisions
- ▶ Directions to the GIC health fairs
- ▶ Answers to common GIC questions
- ▶ Tools and links to help you take charge of your health
- ▶ Hospital research tool (*password: quality*)

Keep Your GIC Records Up-to-Date

Please remember to notify the GIC if:

- ▶ You add a spouse or dependents
- ▶ You get divorced or remarried
- ▶ Your former spouse remarries
- ▶ You move

The GIC's job is to provide you with benefits. Your job is to keep us up-to-date on family status changes. Be sure to notify the GIC in writing of these changes. Failure to notify the GIC of family status changes, such as divorce, remarriage, and/or addition of dependents may result in financial liabilities.



Case Management – With case management, health care clinicians are assigned to work with patients who have serious conditions that require extensive treatment or prolonged care (*for example, multiple sclerosis, spinal cord injuries or AIDS*). Case managers suggest and coordinate patients' treatment to enhance quality of care. Patients' families may be involved as well. The goal is to provide the best possible management of cases that involve complex or ongoing care.

CIC (Catastrophic Illness Coverage) – CIC is an optional part of the Commonwealth Indemnity Plan. CIC increases the benefits for most covered services to 100%, subject to deductibles and co-payments. It is an enrollee-pay-all benefit. Enrollees without CIC pay higher deductibles and receive only 80% coverage for some services. Over 99% of current Indemnity Plan members select CIC.

COBRA – A federal law that allows enrollees to continue their health coverage for a limited period of time after their group coverage ends as the result of certain employment or life events. Premiums cost 102% of the full cost group premium.

Deferred Retirement – An option to maintain group life and health coverage for insureds who leave state service and are eligible for a pension, but do not wish to collect the pension yet.

EGR (Elderly Governmental Retiree) – A state employee who retired from state service prior to January 1, 1956. Also, certain municipal employees who retired prior to the date their city or town elected to provide health insurance benefits to their employees/retirees and whose municipality has elected to participate in the EGR program.

GIC (Group Insurance Commission) – The Group Insurance Commission (GIC) is a quasi-independent state agency governed by an 11-member commission appointed by the Governor. It provides and administers health insurance and other benefits for the Commonwealth's employees and retirees, and their dependents and survivors. The GIC also covers housing and redevelopment authority personnel, and retired municipal employees and teachers in certain cities and towns.

HMO (Health Maintenance Organization) – A health plan that provides coverage for treatment by a network of doctors, hospitals and other health care providers within a certain geographic area. HMOs do not offer out-of-network benefits.

Networks – Networks are groups of doctors, hospitals and other health care providers. Members treated by network providers usually receive the maximum level of benefits.

PCP (Primary Care Physician) – The doctor you select within an HMO or POS plan to provide and coordinate your health care.

POS (Point of Service) – A health insurance plan that offers coverage by network doctors, hospitals, and other health care providers, but also provides (lower) benefits for treatment by out-of-network providers. A POS plan requires the selection of a Primary Care Physician.

PPO (Preferred Provider Organization) – A health insurance plan that offers coverage by network doctors, hospitals, and other health care providers, but also provides (lower) benefits for treatment by out-of-network providers. A PPO plan does not require the selection of a Primary Care Physician.

RMT (Retired Municipal Teacher) – A retired teacher from a city, town or school district who is receiving a pension from the Teacher's Retirement Board and whose municipality has elected to participate in the RMT program.

39-Week Layoff Coverage – Allows laid-off state insureds to continue their group health and life insurance for up to 39 weeks (about 9 months) by paying the full cost of the premium.

Utilization Review – With utilization review, health plan staff work with your providers to determine the treatment you need and where it is best provided. For example, you can be quite sick, but not need to be cared for in a hospital. In today's medical world, there often are hospital alternatives, such as skilled nursing facilities, home health care and hospice care.

For answers to common GIC questions, see the *Your GIC Records* section of our website:
www.mass.gov/gic

GIC Health Fair Schedule 2004

For additional benefit information, attend your local GIC health fair.

APRIL 2004

13 TUESDAY 11:00-3:00

Wrentham Developmental Center
Graves Auditorium
Littlefield Street
WRENTHAM, MA

14 WEDNESDAY 11:00-3:00

Bristol Community College
Commonwealth Center-Atrium Area
777 Elsbree Street
FALL RIVER, MA

15 THURSDAY 11:00-3:00

Springfield State Office Building
Room B42
436 Dwight Street
SPRINGFIELD, MA

16 FRIDAY 11:00-2:00

Berkshire Community College
Patterson Field House
1350 West Street
PITTSFIELD, MA

20 TUESDAY 11:00-3:00

State Lottery Commission
1st Floor Conference Room
60 Columbian Street
BRAINTREE, MA

21 WEDNESDAY 10:00-3:00

China Trade Building
Learning Center 1st Floor
2 Boylston Street
BOSTON, MA

22 THURSDAY 11:00-3:00

Middlesex Community College
Campus Center Building 8
Springs Road
BEDFORD, MA

23 FRIDAY 11:00-3:00

Quinsigamond Community College
Library/Learning Center Room 109
670 West Boylston Street
WORCESTER, MA

26 MONDAY 10:00-3:00

Hampden County Sheriff's Department
Hampden County Correctional Center
627 Randall Road
LUDLOW, MA

27 TUESDAY 10:00-2:00

U-Mass Amherst
Student Union Ballroom
AMHERST, MA

29 THURSDAY 11:00-3:00

Northshore Community College
Health & Science Building
One Ferncroft Road
DANVERS, MA

MAY 2004

1 SATURDAY 11:00-3:00

Mass Maritime Academy
Academy Drive
Bay State Conference Center
BUZZARDS BAY, MA

4 TUESDAY 10:00-2:00

Northern Essex Community College
Haverhill Campus
Bentley Library Conference Area A&B
Elliott Way
HAVERHILL, MA

5 WEDNESDAY 9:00-3:00

McCormack State Office Building
One Ashburton Place-21st Floor
BOSTON, MA

7 FRIDAY 11:00-3:00

Mt. Wachusett Community College
Commons Area
444 Green Street
GARDNER, MA

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**Commonwealth of Massachusetts
Group Insurance Commission**

Inscripción Anual

La inscripción anual tendrá lugar a partir del 12 de abril hasta el 14 de mayo del 2004. Durante dicho período, usted como (*empleado o jubilado del estado*) tendrá la oportunidad de cambiar su seguro de salud. Si desea mantener los beneficios del seguro de salud que actualmente tiene no hace falta que haga nada. Su cobertura continúa en forma automática.

Usted deberá permanecer al plan de salud que seleccionó hasta el próximo período de inscripción anual aunque su médico o hospital se salgan del plan, a menos que usted se mude fuera del área de servicio.

Los cambios de cobertura entrarán en vigencia el 1 de julio del 2004. Para obtener más información, sírvase llamar a Group Insurance Commission (*Comisión de Seguros de Grupo*) al **617.727.2310**, extensión 801. Hay empleados que hablan Español que le ayudarán.

Audio Tape For Visually Impaired

If you know of an individual who is visually impaired, please recommend that he or she call the Group Insurance Commission for a Benefit Decision Guide audio tape:

617.727.2310, ext. 801

**Visit Our
Website:**
www.mass.gov/gic
**for news, forms &
information**

年度登記

年度登記在2004年4月12日開始，於5月14日結束。你可以利用這段時間改變你的醫療保險計劃。如果你希望保持你現有的保險計劃，則不必在此期間做任何事，你的保險計劃將自動延續。

如果你的醫師或是醫院退出你所選的醫療保險計劃，你必須保持你現有的保險計劃直到下一個登記年度才可以更改。若是你在期間搬出你現有的保險計劃服務區域，就另當別論了。

你的計劃改變在2004年7月1日生效。如有問題，請打電話給 Group Insurance Commission。電話號碼是 617.727.2310，轉分機 801。

Ghi Danh Hàng Năm

Việc ghi danh hàng năm bắt đầu vào ngày 12 tháng Tư và chấm dứt vào ngày 14 tháng Năm, 2004. Trong khoảng thời gian này quý vị có cơ hội để thay đổi chương trình sức khỏe. Nếu muốn giữ chương trình sức khỏe hiện tại của mình, quý vị không cần phải làm gì cho việc ghi danh hàng năm. Bảo hiểm của quý vị sẽ tự động tiếp tục.

Nếu bác sĩ hoặc bệnh viện của quý vị không còn tham gia trong chương trình mà quý vị chọn, quý vị phải giữ chương trình sức khỏe của mình cho đến lần ghi danh công khai hàng năm kế tiếp, trừ khi quý vị dọn ra khỏi khu vực phục vụ của chương trình.

Những thay đổi của quý vị sẽ có hiệu lực vào ngày 1 tháng Bảy, 2004. Nếu có bất cứ thắc mắc nào, xin gọi Group Insurance Commission tại số 617.727.2310, số chuyển tiếp 801.